

Go Generic!

What *You* Should Know About Generic Drugs

If you're like a lot of people, you probably have some questions about the merits of generic medications. You know they cost less than brand-name drugs—and that's important information. But do you know why? And do you know that the United States Food and Drug Administration (FDA) ensures that they are as safe and effective as their brand-name counterparts? That means you can save substantially by using generic medication—without compromising quality.

Walgreens Health Initiatives has prepared this quick Q & A about generic drugs to explain how you and your pocketbook can benefit by choosing to “go generic.”

Q. What exactly is a generic drug?

A. A generic drug is an FDA-approved, chemically identical version of a brand-name drug. To receive this approval and be considered both safe and effective, a generic medication must contain identical amounts of the same *active* drug ingredients—in the same dosage form and strength—as its brand-name counterpart and be shown to work the same way in the body.

Q. Why are brand-name medications so much more expensive than generics?

A. The research and development costs of a new medication are quite high. Manufacturers recoup those costs by passing them along to the consumer in the drug's price. A new brand-name drug is protected for many years by a patent, which gives the drug company exclusive rights to manufacture the drug. Once the patent on that drug expires, however, other drug companies are permitted to manufacture a generic equivalent. Since the other companies don't have those original research and development costs, the generic version usually costs a lot less. And that's good for consumers.

Q. When are prescriptions filled with generic medications?

A. Nearly 50% of all prescriptions in the U.S. are now filled with generic drugs. Your physician may choose to prescribe a generic for you, or, if he or she recommends a brand-name drug, you—as a savvy healthcare consumer—can ask if a generic is available and if it could be prescribed instead. Now that you know you're getting the same quality, safety, and efficacy (meaning it works the same way) as the brand-name equivalent, why pay more? (An added note: As a rule, pharmacists usually will substitute a generic for a brand-name drug, unless otherwise directed by the physician or prohibited by applicable law.)

Q. As a health plan member, does using generic medications really save me money?

A. Most health plans and employers require member copayments for medications. The copayment amount for generic drugs generally is less than for brand-name equivalents. With generic prices on average 20% to 50% less than their brand-name drug counterparts, your choice of generic drugs can help keep your insurance premiums low and benefits high.

References:

1. U.S. Food and Drug Administration: www.fda.gov/cder/ogd/#Introduction. What Are Generic Drugs? Accessed August 2002.
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